

from circulation, reducing the amount outstanding to 546,886.38 florins (\$273,000,000). The bank continued the process of converting the government money into bank-notes until on December 31, 1847, the amount outstanding was reduced to 9,712,838 florins (\$4,850,000).

The uprising in Hungary in 1848, the Crimean War, and the Italian struggle which resulted in Austrian defeat at Magenta and Solferino, imposed new charges upon the Austrian government and did much to upset the work of the bank during the thirty years of peace from 1816 to 1846. The bank had proceeded so rapidly with the conversion of the government paper money as to endanger its own security and alarming runs were threatened in 1831, and again in 1840, which were only averted by the help of the government and in the latter case by a loan of coin from the private banks of Vienna. The charter of the bank expired in 1842, but the Emperor signed a patent renewing its privileges, with some modifications, until December 31, 1866. The bank had enjoyed until this time the exclusive privilege of discount as well as the monopoly of note issues, but the former privilege was now thrown open to others and the power to make loans upon real estate mortgages was withdrawn. The bank had contributed somewhat to the expansion of commerce by its discounts, but its immense advances to the government prevented its applying so much capital as was needed for the development of new private enterprises. Financial societies and private banks of discount had sprung up in the important centres and their success and legality depended upon sharing with the National Bank the power to make discounts and advances.

The bank at the end of the year 1847 possessed a metallic reserve of 70,240,000 florins (\$35,000,000) and maintained a circulation of 213,000,000 florins. The outbreak of the revolution in Hungary brought the bill-holders in crowds to the bank for the redemption of the notes and the coin reserve shrunk in a few days to 35,023,030 florins. The directors were seized with panic and secured from the government the decree of June 20, 1848, authorizing the bank to suspend